This record is a partial extract of the original cable. The full text of the original cable is not available.

S E C R E T ROME 002964

SIPDIS

STATE FOR EUR/WE, EUR/PRA, NP/ECNP, INR/SPM

E.O. 12958: DECL: 07/30/2014

TAGS: ETTC EIND PREL IT IR EXPORT CONTROLS
SUBJECT: FAST BOATS TO IRAN: COMPANY PRESSES GOI

REF: A. ROME 2829 <u>¶</u>B. ROME 776

Classified By: Acting Economic Minister Counselor Kathleen Reddy for Re asons 1.5 (a), (b) and (d)

- 11. (S) The Italian Ministry of Productive Activities (MPA) continues to be pressed by Italian fast boat manufacturer FB Design to allow it to resume business with Iran, according to Amedeo Teti, Director General for Commercial Agreements Foreign Trade. Teti himself contacted econoff July 28 to relay this information, noting that the company's request had been conveyed to Massimo Goti, Director General for Productive Development and Competitiveness at the MPA.
- 12. (S) In response to Teti's inquiry regarding current U.S. thinking on Iran, econoff reiterated the message that the U.S. delegation had delivered to the GOI during the June 23 Bilateral Dual Use Export Control Consultations (ref A). Econoff told Teti that Iran remained a serious threat to coalition forces in the Persian Gulf, and the U.S. continued to strongly oppose the export of any items to Iran that might augment its naval capabilities. Teti thanked econoff for the information, and noted that the Ministry would continue to maintain its restrictions on FB Design exports to Iran.
- 13. (S) Note: FB Design's business with Iran was the subject of an official letter to the firm, co-signed by Teti and Goti on February 26, 2004, that prohibited the company from exporting any additional high-speed boats to Iran, as well as the provision of related technical assistance and components (ref B). That letter also required the company to submit for Ministry review any future proposed exports to Iran. (Teti did not indicate whether the company's most recent contact with the Ministry consisted of a request for review of a particular export, however.) End note.
- 14. (S) Comment: Embassy was encouraged by the willingness of Teti (one of Italy's most senior trade officials) to brief us on FB Design's contacts with the GOI, and by his statement that the Ministry of Productive Activities would maintain its restrictions on the company's exports to Iran. The company's inquiry to the Ministry indicates its hesitancy to engage in business with Iran behind the GOI's back, and also demonstrates that the Goti/Teti letter appears to have at least some teeth, despite its ad hoc nature. Embassy will seek an update from Teti on the company's contacts with the GOI following the August vacation period. End comment.

Visit Rome's Classified Website:
http://www.state.sgov.gov/p/eur/rome/index.cf m

SEMBLER

NNNN

2004ROME02964 - Classification: SECRET